

EXHIBIT 6

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

HI-LEX CONTROLS INCORPORATED,
HI-LEX AMERICA, INCORPORATED and
HI-LEX CORPORATION HEALTH AND
WELFARE PLAN,

Plaintiffs,

Case No: 11-12557

v.

Hon. Victoria A. Roberts

BLUE CROSS AND BLUE SHIELD OF
MICHIGAN,

Defendant.

CORRECTED FINDINGS OF FACT AND CONCLUSIONS OF LAW

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30. The term "Retention Reallocation" refers to the new pricing arrangement developed and implemented by BCBSM in 1993; then, Disputed Fees became part of the calculation for amounts to be billed for Hospital Claims. (JTE 80).

31. The Retention Reallocation fees were decided unilaterally by BCBSM; cost accountants and actuaries decided what expenses BCBSM wanted to recoup through the Disputed Fees. They then decided how much Hospital Claims had to be marked up to reach that goal. The percentages used to determine the fees are referred to as "Factors". (James Patrick Bobak Deposition, BCBSM's senior underwriting analyst, at 14:4-12; Austin Test.).

32. The Disputed Fees Factors were not reported to customers, but were known to BCBSM in advance of customer renewals. (Austin Test.; Plaintiffs' Trial Exhibit ("PTE") 580).

33. Internal documents from BCBSM confirm that BCBSM had complete discretion to determine the amount of the Disputed Fees, as well as which of its customers paid them. (PTE 561, Garofali Email ("I]individual underwriters will have the flexibility to determine how we charge . . . access fee on group"); PTE 562, Ken Krisan, BCBSM's senior underwriter, Email (explaining that trust funds have a unique arrangement)).

34. Under Ms. Garofali's oversight, the following strategy was developed in 1993 to educate groups about the new pricing arrangement:

- a. Revised Schedule A included a new disclosure: "Effective with your current renewal, your hospital claims cost will reflect certain charges for provider